

Strategic Research and Development Grant Program Terms and Conditions

1. Purpose

The Strategic Research and Development Grant Program is designed to enable both basic and applied research initiatives complementary to Alberta Agriculture and Forestry's (AF) Business Plan and priorities. The Program provides targeted grant assistance for entities involved in Alberta's livestock or crop industry.

The Strategic Research and Development Program targets innovative and progressive approaches to a) enhance productivity and efficiency; b) improve competitiveness; c) target differentiated products and new value-added products; d) sustainable production to promote responsible use of resources and improve animal welfare, or animal or crop health; and e) address consumer demand and social license within Alberta's livestock or crop industry.

If a Letter of Intent is approved by the Minister, the Applicant will be invited to submit an Application.

If the Minister approves an Application, the approval and any grants are subject to the Applicant entering into a Project Investment Agreement with the Minister in a form acceptable to the Minister. The grant shall be governed by the terms and conditions of the Project Investment Agreement and the Program Terms and Conditions.

2. Definitions: In these Program Terms and Conditions, the following terms are defined as follows:

- 2.1 **AF:** means Alberta Agriculture and Forestry
- 2.2 **Applicant:** means the person, persons or institution who submits an Application and meet the eligibility criteria in s. 3.1, jointly and severally.
- 2.3 **Application:** means the Program application form and all documents required to be submitted pursuant to that form and the Program Terms and Conditions.
- 2.4 **Collaborator:** means an entity that is collaborating with the Applicant in the completion of the Project.
- 2.5 **Eligible Expenses:** means expenses listed in s. 3.4.1 that may be incurred by an Applicant for a Project that are eligible for payment under this Program.
- 2.6 **Letter of Intent:** means the Program letter of intent form.
- 2.7 **Period of Expenditures:** The period for which expenses may be incurred by the Applicant under the Project Investment Agreement.
- 2.8 **Program:** means the Strategic Research and Development Grant Program.
- 2.9 **Program Terms and Conditions:** means the terms and conditions for the Program set out in this document, as may be amended.
- 2.10 **Project:** means the activities described in the Application and the Project Investment Agreement.
- 2.11 **Project Investment Agreement:** means the signed agreement between AF and an Applicant specifying the details of the grant and describing the Project.
- 2.12 **Project Term:** means the time period between the Project start date and end date stated in Project Investment Agreement.

2.13 Provincial Crown: means Her Majesty the Queen in Right of Alberta.

3. Eligibility

The Applicant and Applications must meet the following eligibility criteria, as well as align with AF's current research priorities and annual business plan, as determined by the Minister.

3.1 Eligible Applicants

3.1.1 Funding will be available to those organizations that directly and/or indirectly participate in the service and development of the Alberta livestock or crop industry, provided that such organizations are in good standing and not in default under any other agreements or programs with AF or any other department, agency or program of the Alberta Government. Eligible applicants include but are not limited to:

- a) Industry associations serving the livestock or crop industry;
- b) Educational institutions including universities, colleges, and technical schools;
- c) Subject to s. 3.1.2, government organizations and agencies; and
- d) Existing or prospective Alberta companies and supply chains that can increase the value and sales of Alberta products.

3.1.2 AF is currently ineligible to apply to the Program as an Applicant or to receive funds under the Program as a Collaborator with an Applicant.

3.2 Eligible Activities (must be approved by Minister)

3.2.1 Projects to be approved by this Program should address one or more of the following priorities for Alberta's livestock or crop industry:

- a) Enhancing competitiveness of the industry;
- b) Differentiated products and assurance systems;
- c) Plant and animal health;
- d) Sustainable production to promote responsible use of resources and mitigation of climate change;
- e) Address consumer demand and social license within Alberta's livestock or crop industry; and
- f) Specific priorities for research as described in the published guidelines on targeted calls for proposals in which AF is a funder.

3.2.2 In completing a Project under the Program, the Applicant must:

- a) comply with all applicable laws and regulations; and
- b) obtain all required governmental approvals prior to commencing the Project, including those related to public health and safety, labour codes and standards, care and use of animals in research, wildlife habitat, and environmental protection.

3.3 Ineligible Activities

3.3.1 The following activities are not eligible for funding through the Program and should not be included in an Application:

- a) Scale-up of new technologies beyond pilot studies;
- b) Marketing activities;
- c) Commercialization activities (ex. patenting, registration); and
- d) Private R&D activities.

3.4 Eligible Expenses (must be approved by the Minister)

3.4.1 Eligible Expenses, as approved by Minister and stated in the Project Investment Agreement may include:

- a) Time for specific activities on the Project/Program;
- b) Time for specific activities on the Project/Program for investigators currently funded by provincial/federal units may be acceptable as co-sponsorship contribution;
- c) Outside consultants justified as essential to the Project/Program;
- d) Travel to Project sites;
- e) Travel for information dissemination purposes;
- f) Cost of small equipment, no more than 10% of total funding request, directly required for the Project/Program;
- g) Cost of supplies directly required for the Project/Program;
- h) Publishing costs;
- i) Scientific and technical personnel required for the specific research; and
- j) Graduate student research bursaries, according to the Applicant's institutional or departmental graduate student stipend policies, to a maximum of \$24,000 per year for Master's students, and \$25,000 per year for Doctoral students.

3.5 Ineligible Expenses

3.5.1 Ineligible Expenses that are not eligible for reimbursement under the Program and which must not be included in an Application include:

- a) Goods and Services Tax (GST), Provincial Sales Tax (PST), Harmonized Sales Tax (HST), or other similar taxes;
- b) costs incurred prior to or after the Period of Expenditures, as determined by AF;
- c) hard goods or promotional materials;
- d) website hosting/domain registration or ongoing maintenance;
- e) ongoing social media activity;
- f) travel for ongoing marketing in existing markets;
- g) costs for the lease of office furniture, space and equipment;
- h) costs of equipment attached to the building such as sinks, walls, doors;
- i) costs associated with equipment attached to the building such as plumbing, framing, flooring installation;
- j) land costs;
- k) normal operation, salary and maintenance costs
- l) patent costs;
- m) any other indirect overhead costs; and
- n) any other expense deemed by the Minister not to be an Eligible Expense.

4. Application Process

4.1 The process to apply to the Program is as follows:

- a) A Letter of Intent must be submitted as an intention to submit a full Application. The Letter of Intent is not considered an Application to the Program. A Letter of Intent may be submitted to the Minister directly by the Applicant, or another organization may submit an Applicant's Letter of Intent to the Minister on the Applicant's behalf. Letter of Intent deadlines for specific calls will be posted on www.fundingconsortium.gov.ab.ca.

- b) The Minister will contact the Applicant to discuss the Letter of Intent. If AF requests any additional information from the Applicant, the Applicant shall provide it to the Minister.
- c) If the Minister considers the Letter of Intent to be consistent with the Program Terms and Conditions, the Minister may invite the Applicant to submit an Application to the Program.

5. Applications

- 5.1 Application deadlines for specific calls will be posted on www.fundingconsortium.gov.ab.ca.
- 5.2 Applications must include:
 - a) a completed Program Application form, signed by an authorized representative of the Applicant, and all documents required to be submitted pursuant to the Program application form; and
 - b) any supplementary documentation requested by the Minister.
- 5.3 Signed Applications must be delivered electronically to the Minister through www.fundingconsortium.gov.ab.ca
- 5.4 The Minister may reject any Application that is inaccurate, ineligible or incomplete in the sole discretion of the Minister.
- 5.5 If a submitted Application is incomplete, in the sole discretion of the Minister, the Minister may either reject the Application, or require the Applicant to complete the Application to the Minister's satisfaction before the Application will be considered.
- 5.6 An Application will not be considered complete unless the Application form is signed and all required supporting documentation is provided to the satisfaction of the Minister.
- 5.7 Applications must be signed by or on behalf of a properly authorized representative. The Minister may require evidence of authorization. Designates are not permitted to sign.
- 5.8 Submission of an Application does not entitle an Applicant to a grant under the Program. Applications will be considered for approval on a case-by-case basis, subject to Program funding constraints.
- 5.9 The Applicant acknowledges that the grant may not be sufficient to cover the entire cost of the Project, and that the Applicant shall be solely responsible for raising funds from other sources to complete these activities. The Applicant acknowledges that the grant is the only financial assistance the Minister will provide under the Program to the Applicant for the Project.
- 5.10 If an Application is approved by the Minister, the Applicant must enter into a Project Investment Agreement with the Minister to be eligible to receive funding under the Program. This Project Investment Agreement will specify the terms and conditions governing the grant.

6. Review Process

- 6.1 Applications will be evaluated based on the Project's potential to transform the livestock or crop sector and using the following Program assessment criteria:
 - a) Clear, demonstrable benefit back to the Alberta livestock or crop industry of the proposed research or innovation;
 - b) The research proposed is novel and internationally recognized (leading-edge);
 - c) The research team is robust, with appropriate competencies;

- d) Outcome of the peer review process is supportive of Project and Applicant has adequately addressed reviewers concerns through their response to reviewers;
- e) Budget items are clear and justified;
- f) Timelines and deliverables are achievable and appropriate; and
- g) Effective knowledge transfer and communication plan in place.

6.2 Applications will be confidentially reviewed by external scientific and/or industrial reviewers, and further reviewed through external technical review committees for recommendations of approval and funding amount.

7. Payments

7.1 Projects and Eligible Expenses qualify only once for payment under the Program.

7.2 Grant payments will be made based on Eligible Expenses incurred within the Period of Expenditures and approved by the Minister for completion of a Project pursuant to the Project Investment Agreement during the Period of Expenditures.

8. Project Completion

8.1 Projects must be completed between the Project start date and the Project completion date stated in the Project Investment Agreement.

9. Reporting Requirements

9.1 Unless otherwise specified by the Minister, the Applicant shall provide the Minister with status reporting, to the Minister's satisfaction, in the formats and by dates specified by the Minister in the Project Investment Agreement, detailing:

- a) the status of the Project, progress to date, planned activities, knowledge transfer and contribution to highly qualified personnel, and a financial report detailing all expenditures for the reporting period; and
- b) any other information requested by the Minister.

9.2 Unless otherwise specified by the Minister, the Applicant shall provide the Minister with a final report, to the Minister's satisfaction, completed on the Program final report template and by a date specified by the Minister, after the Period of Expenditures is completed or the termination of the Project Investment Agreement, whichever occurs first, detailing:

- a) a list of activities completed by the Applicant in relation to the Project;
- b) benefits of the activities conducted;
- c) knowledge transfer conducted;
- d) contribution to highly qualified personnel;
- e) copies of any publications for industry, if applicable;
- f) a financial report detailing all expenditures of the Project in relation to the activities listed in the Application, the expenditures attributed to the grant, and the expenditures attributed to other funding sources for the Project, including the Applicant's cash contribution; and any other information requested by the Minister.

9.3 The Minister may request the Applicant to submit additional reports during the Project Term which the Applicant shall submit, to the Minister's satisfaction, on the dates specified by the Minister.

10. Verification

10.1 The Applicant consents to the Minister releasing any information contained in the Application or related to it and obtained by the Minister in the course of verifying the Application, to any other government department, agency or other body for the purposes of verifying this Application, determining the Applicant's eligibility for this Program, or both. The Applicant expressly authorizes the Minister to obtain information from any government department, agency or other body to verify the contents of this Application and to determine the Applicant's eligibility for this Program.

11. Refunds and Set-Off

11.1 The Applicant shall immediately refund to the Minister any payment received under the Program not in accordance with the Program Terms and Conditions upon notice being provided to the Applicant by the Minister. Failure to make repayment as required by the Minister creates a debt owing to the Provincial Crown that can be set off against any amounts that may be payable by the Minister or the Provincial Crown to the Applicant, including but not limited to under this Agreement. The Minister has the right to deduct from any amounts payable under this Program any amount due and owing to the Provincial Crown.

12. False or misleading information

12.1 An Applicant who provides false or misleading information under this Program forgoes all rights to benefit from this Program.

13. Liability

13.1 The Applicant acknowledges that the Minister is not liable to the Applicant, the Applicant's heirs, successors, administrators and assigns for the personal injury, property damage, or any other damage, injury, claim or loss whatsoever arising out of the Program, the Applicant's participation in it, and the Application.

14. Representations and Warranties

14.1 By submitting an Application, the Applicant represents and warrants that:

- a) the person signing the Application is duly authorized to make the Application, bind the Applicant to the Program Terms and Conditions, and, in the case of a partnership, bind the partners to the Program Terms and Conditions on the basis of joint and several liability;
- b) no Application has been made for the same activities by any other person, including without limitation, a person who is not arms-length or a related person as defined by the *Income Tax Act* (Canada) or by a shareholder, member or partner who is actively carrying on farming or business on behalf of a corporation; and
- c) it has made full, true and plain disclosure to the Minister of all facts relating to the activities that are material to its Application, including without limitation all sources of funding from federal, provincial and municipal governments.

15. Grant Regulation and Disclosure of Grant Recipient Information

15.1 Payments under this Program are grants subject to the Agriculture and Rural Development Grant Regulation. The Applicant acknowledges that, in addition to complying with these Program Terms and Conditions, the Applicant must comply with the Agriculture and Rural Development Grant Regulation.

15.2 The Applicant acknowledges that AF publicly discloses the following information for all grant recipients: the grant recipient name, the amount of the grant, the program the grant is paid under, and the payment date.

16. Changes to the Program or Program Terms and Conditions

- 16.1** The Minister may change or terminate the Program, or revise the Program Terms and Conditions, by posting the revised Program Terms and Conditions on the AF Strategic Research and Development Program website.
- 16.2** An Application shall be administered by the Program Terms and Conditions that were posted on the AF Strategic Research and Development Program website as of the date that the Application was received.

17. Ministerial Discretion

- 17.1** The Minister has the absolute discretion to determine the eligibility of any Applicant under this Program and any payment due under this Program. The decision of the Minister is final.